Back to Contents

The following table summarizes stock option activity:

	Shares	Weighted average exercise price per share
Outstanding at December 31, 2005	**149,359,801**	**€26.12**
Granted	17,590,470	€11.65
Exercised	(4,084,044)	€6.10
Forfeited/Expired	(28,886,522)	€30.06
Addition of Lucent plans	58,779,601	€40.02
Outstanding at December 31, 2006	**192,759,306**	**€28.89**
Of which could be exercised	144,835,077	€34.78

The weighted average remaining term for stock options outstanding and exercisable was 3.9 years and 3.1 years, respectively, as of December 31, 2006. The aggregate intrinsic value for stock options outstanding and exercisable was €183 million and €156 million, respectively, as of December 31, 2006.

Proceeds received from the exercise of stock options were €25 million and €17 million during 2006 and 2005 respectively. The intrinsic value related to the exercise of stock options was €21 million and €16 million during 2006 and 2005 respectively.

The following table summarizes restrictive stock units (RSU):

	Restrictive stock units shares	Weighted grant date fair value
Unvested at December 31, 2005	**–**	**€10.16**
Granted	–	–
Vested	(961)	€10.16
Forfeited	(20,918)	€10.16
Addition of Lucent plans	1,684,575	€10.16
Unvested at December 31, 2006	**1,662,696**	**€10.16**

As indicated in the merger agreement with Lucent, each unvested RSU granted under Lucent's compensation or benefit plans was converted into an Alcatel-Lucent RSU. The grant price corresponds to the Alcatel share price at the business combination date.

Since 2004, the fair value of options at grant date has been determined using a binomial method (Cox-Ross-Rubinstein model). This allows behavioral factors governing the exercice of stock options to be taken into consideration and to consider that all options will not be systematically exercised by the end of the exercice period. The fair values at grant date of options granted during the years 2003, 2002 and 1999 have been estimated using the Black Scholes model and a stochastic model for the 2000 and 2001 plans. The following table summarizes assumptions used to compute faire value of stock option grants:

	2006	2005	2004	2003	2002	2001	2000	1999
Interest rate	3.50%	3.50%	3.91%	3.62%	3.80%	5%	5%	6%(1)
Expected life	3-8 years	3-8 years	3-8 years	3-8 years	3-8 years	3-9 years	5-10 years	5 years
Expected volatility	32%	40%	40%	60%	60%	(3)	(2)	39%
Expected dividends	1%	(5)	(4)	1%	1%	1%	1%	1%

(1) US$rates, concern mainly U.S. plans.
(2) 73% for Alcatel Class O shares, 64% for Class A shares, 51% for ADS.
(3) 50% for Alcatel Class O shares, 46% for Class A shares, 46% for ADS.
(4) 0% in 2004 and 2005, 1% for later years.
(5) 0% in 2005, 1% for later years.

Back to Contents

The models used to calculate option values were developed to estimate the fair value of freely tradable, fully transferable options without vesting restrictions, which significantly differ from the Group's stock option awards. These models are very sensitive as to the stock price volatility assumptions. Accordingly, management believes that these valuation models do not necessarily provide a reliable single measure of the fair value of the Group's stock option awards.

The following table discloses the pro forma net income and earnings per share, as if the fair value based accounting method had been used to account for stock-based compensation cost:

(In millions of euros except per share data)	2005	2004
Net income (loss) as reported	763	550
Stock-based employee compensation expense included in reported net income, net of tax	–	–
Stock-based employee compensation expense determined under fair value based method for all awards, net of tax	(168)	(350)
Proforma net income (loss)	**595**	**200**
Basic earnings per ordinary share as reported	0.56	0.45
Basic earnings per ordinary share proforma	0.43	0.16
Diluted earnings per ordinary share as reported	0.55	0.42
Diluted earnings per ordinary share proforma	0.43	0.16

(3) Restructuring (SFAS 146)

Under IFRS, as disclosed in Note 1(l), the Group records restructuring reserves when the restructuring programs have been finalized and approved by the Group's management, have been announced before the balance sheet date and result in an obligating event of the Group to third parties. Differences between accounting principles followed by Alcatel-Lucent (i.e. IFRS) and U.S. GAAP concerning restructuring are disclosed in Note 38d above.

The impact of this U.S. GAAP adjustment for the years ended December 31, 2006, 2005 and 2004 respectively is as follows:

2006:

(In millions of euros)	December 31, 2005	Current year expense	Utilization	Cumulative translation adjustments and others	December 31, 2006
Restructuring reserve according to IFRS	**417**	**243**	**(263)**	**16**	**413**
Add back discontinued	–	1	(22)	21	–
Moving costs	(7)	7	–	–	–
Lease obligations and other direct costs	(33)	30	–	1	(2)
Other monetary costs reclassified in cost of sales	–	(133)	–	133	–
Termination costs in excess of legal obligations	(20)	10	–	7	(3)
Total U.S. GAAP adjustment	**(60)**	**(85)**	**(22)**	**162**	**(5)**
Restructuring reserve according to U.S. GAAP	**357**	**158**(1)	**(285)**	**178**	**408**
Of which related to plan initiated after December 31, 2002 (see detail in SFAS 146 disclosure)	256	153	(251)	189	347

(1) Total restructuring costs according to U.S. GAAP were €517 million, of which €359 million consisted in write-offs of tangible and intangible assets linked to restructuring plans.

Back to Contents

The current year expense recorded in 2006 includes the following major actions:

(in millions of euros)	2006
— Termination costs in Germany	19
— Termination costs and costs associated with a disposal of facility in Italy	29
— Termination costs and other monetary costs in Lucent	18
— Other plans in the world	92
TOTAL	**158**

The reserve at the end of 2006 is analyzed below:

(in millions of euros)	2006
Employee termination benefits	145
Other costs	263
TOTAL	**408**

The remaining €145 million reserve for employee termination benefits at December 31, 2006 includes approximately 1,315 employees representing:

	Number of employees
— Termination costs in Alcatel-CIT (France)	402
— Downsizing of Submarine Networks Division	98
— Termination costs in other European units (UK, Belgium, Portugal, Scandinavia)	384
— Termination costs in Germany	143
— Closure of Illkirch industrial activity	43
— Reorganization, outsourcing and termination costs in North American plants (U.S. and Canada excluding Lucent)	68
— Other plans in the world	177
TOTAL	**1,315**

Back to Contents

SFAS 146 disclosure related to plans initiated after December 31, 2002:

The evolution of the restructuring reserve under U.S. GAAP during the year ended December 31, 2006 for the plans initiated after December 31, 2002, is as follows:

(in millions of euro)	December 31, 2005	Charged to expense	Costs paid or settled (utilization)	CTA and other	December 31, 2006
Alcatel-CIT	48	12	(22)	121	159
Alcatel Espana SA (Spain)	17	(4)	(13)	-	-
Submarine Networks Division	29	(4)	(10)	-	15
Alcatel Italy	-	29	(29)	-	-
Alcatel Bell	4	9	(9)	-	4
Space division	16	-	(7)	(9)	-
Germany	85	19	(68)	(7)	29
Alcatel USA	14	9	(7)	(3)	13
Lucent	-	18	(11)	79	86
Headquarters	5	28	(24)	-	9
Alcatel Business System (Illkirch, France)	14	6	(13)	-	7
Other (no individual amount higher than €50 million)	24	31	(38)	8	25
TOTAL	**256**	**153**	**(251)**	**189**	**347**
Of which:					
Termination benefits	189	100	(170)	(7)	112
Contract terminations	22	25	(22)	65	90
Other associated costs	45	28	(59)	131	145

The major type of costs associated with the exit or disposal activities initiated after December 31, 2002 and the information by reportable segment are the following:

Plans initiated in 2006	Total amount expected	Amount incurred in 2006	Cumulative amount incurred as of December 31, 2006
Termination benefits	101	100	100
Contract terminations	23	23	23
Other associated costs(1)	171	31	31
TOTAL	**295**	**154**	**154**
Of which:			
Carrier Group	145	11	11
Enterprise Group	4	4	4
Services Group	1	1	1
Other	145	138	138

(1) Other associated costs expected included an amount of €133 million which have been booked for as costs of sales and not as restructuring costs.

Back to Contents

The major exit activity initiated during 2006 is the following:

SEL (Germany)

Beginning 2006, an additional restructuring plan was launched (based on voluntary departures), to enable SEL to remain competitive in reducing its cost base. Traditional switching business continued to decline, which imposed a reduction of the workforce in the fixed segment as well as in operations and general administration.

	Total amount expected	Amount incurred in 2006	Cumulative amount incurred as of December 31, 2006
Termination benefits	42	42	42
Contract terminations	2	2	2
Other associated costs	–	–	–
TOTAL	**44**	**44**	**44**
Of which:			
Carriers Group	–	–	–
Enterprise Group	–	–	–
Services Group	–	–	–
Other	44	44	44

Plans initiated in 2005	**Total amount expected**	**Amount incurred in 2005**	**Amount incurred in 2006**	**Cumulative amount incurred as of December 31, 2006**
Termination benefits	94	88	2	90
Contract terminations	9	9	1	10
Other associated costs	1	1	9	10
TOTAL	**104**	**98**	**12**	**110**
Of which:				
Carriers Group	16	19	32	51
Enterprise Group	14	9	–	9
Services Group	–	–	2	2
Other	74	70	(22)	48

In 2005, there was no plan exceeding €20 million individually. The major actions were taken in Spain, Italy, and France (mainly in the Space activities).

Plans initiated in 2004 *(in millions of euros)*	**Total amount expected**	**Amount incurred in 2004**	**Amount incurred in 2005**	**Amount incurred in 2006**	**Cumulative amount incurred as of December 31, 2006**
Termination benefits	82	74	5	2	81
Contract terminations	11	32	(1)	–	31
Other associated costs	24	5	(1)	–	4
TOTAL	**117**	**111**	3	2	**116**
Of which:					
Carriers Group	36	32	5	–	37
Enterprise Group	6	7	1	–	8
Services Group	2	2	1	–	3
Other	73	70	(4)	2	68

No major exit activities initiated during 2004.

Back to Contents

2005:

(in millions of euros)	December 31, 2004	Current year expense	Utilization	Cumulative translation adjustments and others	December 31, 2005
Restructuring reserve according to IFRS	**692**	**132**	**(414)**	**7**	**417**
Moving costs	(16)	8	–	1	(7)
Lease obligations and other direct costs	(33)	3	–	(3)	(33)
Termination costs in excess of legal obligations	(61)	41	–	–	(20)
Total U.S. GAAP adjustment	**(110)**	**52**	**–**	**(2)**	**(60)**
Restructuring reserve according to U.S.GAAP	**582**	**184**[(1)]	**(414)**	**5**	**357**
Of which related to plan initiated after December31, 2002 (see detail in SFAS 146 disclosure)	379	187	(303)	(7)	256

(1) Total restructuring costs according to U.S. GAAP were €174 million and in addition, a finance cost of €10 million was recorded in "interest income and other financial income net" for the amount related to reversing the discount element included in restructuring reserves.

The current year expense recorded in 2005 includes the following major actions:

(in millions of euros)	2005
— Termination costs in Alcatel-CIT (France)	45
— Reorganization and termination costs for Alcatel Space and Alcatel Space Alenia	17
— Termination costs in Alcatel Espana SA (Spain)	18
— Italy	12
— Closure of Illkirch (France)	18
— Termination costs in Germany and closure of Stuttgart optics factory	25
— Reorganization, outsourcing and termination costs in USA	10
— Other plans in the world	39
TOTAL	**184**

The reserve at the end of 2005 is analyzed below:

(in millions of euros)	2005
Employee termination benefits	258
Other costs	99
TOTAL	**357**

Back to Contents

The remaining €258 million reserve for employee termination benefits at December 31, 2005 includes approximately 2,356 employees representing:

	Number of employees
— Termination costs in Alcatel-CIT (France)	468
— Downsizing of Submarine Networks Division	140
— Termination costs in Alcatel Espana SA (Spain)	65
— Reorganization of Space Division: termination mainly in France and Belgium	599
— Termination costs in other European units (UK, Belgium, Portugal, AT Nordics)	293
— Termination costs in Germany and closure of Stuttgart optics factory	383
— Closure of Illkirch industrial activity	66
— Reorganization, outsourcing and termination costs in North American plants (U.S. and Canada)	45
— Other plans in the world	297
TOTAL	**2,356**

SFAS 146 disclosure related to plans initiated after December 31, 2002:

The evolution of the restructuring reserve under U.S. GAAP during the year ended December 31, 2005 for the plans initiated after December 31, 2002, is as follows:

(in millions of euro)

	December 31, 2004	Charged to expense	Costs paid or settled (utilization)	CTA and other	December 31, 2005
Alcatel-CIT	94	42	(86)	(2)	48
Alcatel Espana SA (Spain)	24	18	(25)	-	17
Submarine Networks Division	42	9	(26)	2	27
Space division	10	15	(3)	(6)	16
Germany	90	35	(41)	1	85
Italy		15	(15)		
Alcatel USA	27	11	(25)	1	14
Illkirch	45	15	(41)	(5)	14
Other (no individual amount higher than €50 million)	47	27	(41)	2	35
TOTAL	**379**	**187**	**(303)**	**(7)**	**256**
Of which:					
Termination benefits	262	170	(243)		189
Contract terminations	22	6	(9)	3	22
Other associated costs	95	11	(51)	(10)	45

Back to Contents

The major type of costs associated with the exit or disposal activities initiated after December 31, 2002 and the information by reportable segment are the following:

Plans initiated in 2005	**Total amount expected**	**Amount incurred in 2005**	**Cumulative amount incurred as of December 31, 2005**
Termination benefits	94	88	88
Contract terminations	9	9	9
Other associated costs	1	1	1
TOTAL	**104**	98	**98**
Of which:			
Fixed Communications Group	16	16	16
Mobile Communications Group	2	2	2
Private Communications Group	33	27	27
Other	53	53	53

In 2005, there was no plan exceeding €20 million individually. The major actions were taken in Spain, Italy, and France (mainly in the Space activities).

Plans initiated in 2004 *(in millions of euros)*	**Total amount expected**	**Amount incurred in 2004**	**Amount incurred in 2005**	**Cumulative amount incurred as of December 31, 2005**
Termination benefits	82	74	5	79
Contract terminations	11	32	(1)	31
Other associated costs	24	5	(1)	4
TOTAL	**117**	**111**	3	**114**
Of which:				
Fixed Communications Group	31	27	4	31
Mobile Communications Group	4	4	1	5
Private Communications Group	16	14	1	15
Other	66	66	(3)	63

2004:

The impact of the U.S. GAAP adjustment for the year ended December 31, 2004 was as follows:

(In millions of euros)	**December 31, 2003**	**Current year expense**	**Utilization**	**Cumulative translation adjustments and others**	**December, 31, 2004**
Restructuring reserve according to IFRS	1,084	334	(606)	(120)	692
Consolidation of discontinued activities	—	3	(37)	34	—
Moving costs	(14)	(2)	—	—	(16)
Lease obligations and other direct costs	(58)	10	—	—	(33)
Termination costs in excess of legal obligation	(148)	86	—	1	(61)
Total U.S. GAAP adjustment	**(220)**	**97**	**(37)**	**50**	**(110)**
Restructuring reserve according to U.S. GAAP	**864**	**431**	**(643)**	**(70)**	**582**
Of which related to plan initiated after December 31, 2002 (see detail in SFAS 146 disclosure)	409	349	(384)	5	379

Back to Contents

The current year expense recorded in 2004 included the following major actions:

	2004
— Termination costs in Alcatel–CIT (France)	144
— Termination costs in Alcatel Espana SA (Spain)	36
— Termination costs in other European units (UK, Belgium, Portugal, AT Nordics)	31
— Termination costs in Germany and closure of Stuttgart optics factory	65
— Closure of Illkirch industrial activity	43
— Reorganization, outsourcing and termination costs in North American plants (U.S. and Canada)	38
— Other plans in the world	74
TOTAL	**431**

The reserve at the end of 2004 is analyzed below:

(In millions of euros)	2004
Employee termination benefits	405
Other costs	177
TOTAL	**582**

The remaining €405 million reserve for employee termination benefits at December 31, 2004 included approximately 3,627 employees representing:

	Number of employees
— Termination costs in Alcatel–CIT (France)	583
— Downsizing of Submarine Networks Division	138
— Termination costs in Alcatel Espana SA (Spain)	124
— Reorganization of Space Division: Termination mainly in France and Belgium	443
— Termination costs in other European units (UK, Belgium, Portugal, AT Nordics)	299
— Termination costs in Germany and closure of Stuttgart optics factory	925
— Closure of Illkirch industrial activity	293
— Reorganization, outsourcing and termination costs in North American plants (U.S. and Canada)	365
— Other plans in the world	457
TOTAL	**3,627**

(4) Pension and post–retirement benefits other than pension plans

In accordance with the laws and customs of each country, the Group provides to its employees pensions plans, medical insurance and reimbursement of medical expenses. In France, Group employees benefit from a retirement indemnity plan. In other countries, the plans depend upon local legislation, the business and the historical practice of the subsidiary concerned.

On September 30, 2006, SFAS No 158 *Employers' Accounting Benefit Pension and Other Post–retirement Plans* was issued. SFAS 158 requires, among other things, the recognition of the funded status of each defined pension benefit plan, retiree health care and other post–retirement benefit plans and postemployment benefit plans on the balance sheet. Each overfunded plan is recognized as an asset and each underfunded plan is recognized as a liability. The initial impact of the standard due to unrecognized prior service costs or credits and net actuarial gains or losses as well as subsequent changes in the funded status is recognized as a component of accumulated comprehensive loss in shareowners' equity. Additional minimum liabilities (AML) and related intangible assets are also derecognized upon adoption of the new standard. SFAS 158 requires initial application for fiscal years ending after December 15, 2006, with earlier application encouraged. We adopted SFAS 158 as of December 31, 2006. The following table summarizes the effect of required changes in the AML as of December 31, 2006 prior to the adoption of SFAS 158 as well as the impact of the initial adoption of SFAS 158.

Back to Contents

(In millions of euros)	December 31, 2006 prior to AML and SFAS 158 Adjustment	AML Adjustment	SFAS 158 Adjustment	December 31, 2006 post AML and SFAS 158 Adjustments
Prepaid pension costs	4,348	–	986	5,334
Pension liabilities	(1,319)	(427)	(104)	(1,850)
Post-retirement & postemployment liabilities	(3,635)	–	128	(3,507)

As of December 31, 2006, the €5,357 million of pension and post-retirement & postemployment liability include €223 million of current liability and €5,134 million of non-current liability.

As of December 31, 2006, the amounts in accumulated other comprehensive income that have not yet been recognized as components of net periodic (benefit) cost credit are as follows:

(In millions of euros)	Pension benefits	Post-retirement & post-employment benefits	Total
Prior service cost (credit)	46	(88)	(42)
Net actuarial loss (gain)	(501)	(40)	(541)

Moreover, the amounts in accumulated other comprehensive income that are expected to be recognized as components of net periodic benefit (cost) credit during the next fiscal year are as follows:

(In millions of euros)	Pension benefits	Post-retirement & post-employment benefits	Total
Prior service (cost) credit	(4)	6	2
Net actuarial (loss) gain	(8)	(2)	(10)

Disclosures in accordance with SFAS 132R *Employers' Disclosure about Pensions and other Post-Retirement Benefits (Revised)* are as follows:

(a)

Pensions and retirement indemnities

Pensions and retirement obligations are determined in accordance with the accounting principles presented in Note 1k.

Assumptions for the calculation

Discount rates are determined by reference to risk-free rates on bonds issued by the highest-rated companies, and possibly government securities when no such issuers exist, of appropriate duration at the measurement date of each plan. Expected returns on assets are based on the expected rate of return on plan assets (calculated taking into account historic returns, asset allocation and expected future returns). They are both defined centrally to achieve consistency in same monetary areas. Each company within Alcatel-Lucent has the responsibility of determining its set of local assumptions such as withdrawal rate and salary increase rates to take into account specific local conditions. The assumptions for 2006, 2005 and 2004 are as follows (the rates indicated are weighted average rates):

	Year ended December 31, 2006	Year ended December 31, 2005	Year ended December 31, 2004
Discount rate	5.54%	3.95%	4.46%
Future salary increases	3.90%	3.34%	3.52%
Average residual active life	15-27 years	15-27 years	15-27 years
Amortization period of transition obligation	15 years	15 years	15 years
	Fiscal year 2006	**Fiscal year 2005**	**Fiscal year 2004**
Expected long-term return on assets[(1)]	7.35%	4.28%	4.70%

(1) Computed on an yearly basis even if businesses are acquired during the year.

Back to Contents

Split between domestic and foreign is as follows:

	Year ended December 31, 2006		Year ended December 31, 2005		Year ended December 31, 2004	
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
Discount rate	4.10%	5.56%	3.75%	3.97%	4.32%	4.47%
Future salary increase	3.41%	3.89%	3.49%	3.32%	2.82%	3.57%
	Fiscal year 2006		Fiscal year 2005		Fiscal year 2004	
Expected long-term return on assets[(1)]	5.10%	7.36%	4.27%	4.28%	4.73%	4.70%

(1) Computed on a yearly basis even if businesses are acquired during the year.

The assumptions used for the calculation of the Projected Benefit Obligation as of the measurement date (December 31[st]) of the preceding fiscal year are used to determine the calculation of interest rate and service cost of the following year.

Pensions obligation and funded status

A detailed reconciliation of the changes in the PBO for fiscal year 2006, 2005 and 2004 is provided in the following table:

(In millions of euros)

	Pension benefits								
	2006			2005			2004		
	Total	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign
Benefit obligation at beginning of year	**(3,476)**	**(307)**	**(3,169)**	**(3,210)**	**(211)**	**(2,999)**	(3,282)	(306)	(2,976)
Service cost	(80)	(13)	(67)	(60)	(11)	(49)	(72)	(10)	(62)
Interest cost	(239)	(12)	(227)	(138)	(11)	(127)	(145)	(10)	(135)
Plan participants' contributions	(5)	—	(5)	(5)	—	(5)	(4)	—	(4)
Amendments	(5)	—	(5)	—	—	—	46	(1)	47
Reclassification	—	—	—	—	—	—	—	—	—
Business combinations	(23,206)	—	(23,206)	(87)	(33)	(54)	—	—	—
Disposals	147	29	118	2	1	1	72	14	58
Curtailments	3	—	3	5	—	5	14	7	7
Settlements	14	—	14	26	—	26	19	4	15
Special termination benefits	—	—	—	(2)	—	(2)	—	—	—
Actuarial (loss)/gain	669	(10)	679	(124)	(47)	(77)	(38)	88	(126)
Benefits paid	351	7	344	174	5	169	162	3	159
Other (foreign currency translation)	(20)	—	(20)	(57)	—	(57)	18	—	18
Benefit obligation at end of year	**(25,847)**	**(306)**	**(25,541)**	**(3,476)**	**(307)**	**(3,169)**	**(3,210)**	**(211)**	**(2,999)**

Back to Contents

(In millions of euros)	Pension benefits								
	2006			2005			2004		
	Total	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign
Accumulated benefit obligation	(25,290)	(269)	(25,021)	(3,210)	(275)	(2,935)	(2,869)	(191)	(2,678)
Effect of salary increase	(557)	(37)	(520)	(266)	(32)	(234)	(341)	(20)	(321)
Benefit obligation at end of year	**(25,847)**	**(306)**	**(25,541)**	**(3,476)**	**(307)**	**(3,169)**	**(3,210)**	**(211)**	**(2,999)**

The following table shows for fiscal year 2006, 2005 and 2004 the change in plan assets:

(In millions of euros)	Pension benefits								
	2006			2005			2004		
	Total	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign
Fair value of plan assets at beginning of year	**2,286**	**74**	**2,212**	**2,084**	**48**	**2,036**	**2,050**	**58**	**1,992**
Actual return on plan assets	342	2	340	204	6	198	143	2	141
Employers' contribution	92	10	82	77	6	71	80	6	74
Plan participants' contributions	5	—	5	5	—	5	4	—	4
Amendments	—	—	—	—	—	—	(56)	(15)	(41)
Reclassification	—	—	—	—	—	—	—	—	—
Business combinations	27,290	—	27,290	25	19	6	—	—	—
Disposals	(32)	(4)	(28)	—	—	—	(10)	—	(10)
Curtailments	—	—	—	—	—	—	—	—	—
Settlements	(14)	—	(14)	(26)	—	(26)	(15)	—	(15)
Special termination benefits/ Benefits paid	(292)	(6)	(286)	(114)	(5)	(109)	(104)	(3)	(101)
Section 420 transfer	(382)	—	(382)	—	—	—	—	—	—
Other (foreign currency translation)	36	—	36	31	—	31	(8)	—	(8)
Fair value of plan assets at end of year	**29,331**	**76**	**29,255**	**2,286**	**74**	**2,212**	**2,084**	**48**	**2,036**

A reconciliation of the funded status of pension benefit plans is:

(In millions of euros)	Pension benefits								
	2006			2005			2004		
	Total	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign
Funded status	3,484	(230)	3,714	(1,190)	(233)	(957)	(1,126)	(163)	(963)
Unrecognized actuarial loss/(gain)	—	—	—	231	54	177	158	(15)	173
Unrecognized transition obligation	—	—	—	(0)	—	(0)	(2)	(2)	(0)
Unrecognized prior service cost	—	—	—	53	—	53	57	0	57
Net amount recognized	**3,484**	**(230)**	**3,714**	**(906)**	**(179)**	**(727)**	**(913)**	**(180)**	**(733)**

Back to Contents

Amounts recognized in the statement of financial position consist of:
(In millions of euros)

	Pension benefits								
	2006			2005			2004		
	Total	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign
Accrued	(1,850)	(230)	(1,620)	(1,638)	(242)	(1,396)	(1,491)	(198)	(1,293)
Prepaid	5,334	—	5,334	76	—	76	61	—	61
Intangible assets	—	—	—	44	—	44	44	—	44
Accumulated other comprehensive loss	—	—	—	612	63	549	473	18	455
Net amount recognized	**3,484**	**(230)**	**3,714**	**(906)**	**(179)**	**(727)**	**(913)**	**(180)**	**(733)**

For fiscal year 2006, 2005 and 2004, the PBO, ABO and fair value of plan assets whose ABO exceeded the fair value of plan assets at the measurement date were as follows:
(In millions of euros)

	Pension benefits								
	2006			2005			2004		
	Total	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign
Projected Benefit Obligation	(3,167)	(306)	(2,861)	(2,674)	(282)	(2,392)	(2,485)	(211)	(2,274)
Accumulated Benefit Obligation	(3,002)	(269)	(2,733)	(2,559)	(252)	(2,307)	(2,374)	(191)	(2,183)
Fair value of plan assets	1,315	76	1,239	1,102	70	1,032	962	48	914
Underfunding of accumulated benefit obligation	**(1,687)**	**(193)**	**(1,494)**	**(1,457)**	**(182)**	**(1,275)**	**(1,412)**	**(143)**	**(1,269)**

Components of net periodic pension cost
(In millions of euros)

	Pension benefits								
	2006			2005			2004		
	Total	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign
Components of net periodic cost									
Service cost	(80)	(13)	(67)	(60)	(11)	(49)	(72)	(10)	(62)
Interest cost	(239)	(12)	(227)	(138)	(11)	(127)	(145)	(10)	(135)
Expected return on plan assets	282	4	278	93	3	90	97	2	95
Amortization of transition obligation	1	1	—	1	1	—	2	—	2
Amortization of prior service cost	(8)	—	(8)	(4)	—	(4)	(5)	—	(5)
Amortization of recognized actuarial gain/(loss)	(3)	(8)	5	11	1	10	14	1	13
Effect of curtailments	(3)	—	(3)	2	1	1	39	4	35
Effect of settlements	(2)	—	(2)	(6)	—	(6)	(6)	—	(6)
Special termination benefits	—	—	—	(2)	—	(2)	—	—	—
Net periodic benefit cost	**(52)**	**(28)**	**(24)**	**(103)**	**(16)**	**(87)**	**(76)**	**(13)**	**(63)**

Annual cost under IFRS for pension benefits plans is €101 million, €94 million and €104 million for the years ended December 31, 2006, 2005 and 2004, respectively.

Back to Contents

Plan assets information

Plan assets are invested as follows:

(In millions of euros and percentage)	Private and public bonds		Equity securities		Short-term investments		Property assets		Total	
2004										
Domestic	21	44%	18	37%	9	19%	—	—	48	100%
Foreign	823	41%	537	26%	364	18%	312	15%	2,036	100%
Total	844	40%	555	27%	373	18%	312	15%	2,084	100%
2005										
Domestic	47	64%	23	31%	4	5%	—	—	74	100%
Foreign	894	40%	603	27%	344	16%	371	17%	2,212	100%
Total	941	41%	626	28%	348	15%	371	16%	2,286	100%
2006										
Domestic	51	67%	21	28%	4	5%	—	—	76	100%
Foreign	13,828	47%	10,582	36%	2,533	9%	2,312	8%	29,255	100%
Total	13,879	47%	10,603	36%	2,537	9%	2,312	8%	29,331	100%

Moreover, for fiscal year 2007, we expect to contribute €140 million to pension funds.

Benefit payments

Expected benefit payments for defined benefit pension plans through 2016 are as follows:

Total *(in millions of euros)*	Expected benefit payments
2007	2,047
2008	2,014
2009	1,985
2010	1,956
2011	1,932
2012–2016	9,328

(b) Other post-retirement benefits

These post-retirement benefits only relate to American employees for medical insurance and life insurance. Therefore, foreign amounts are equal to total amounts and domestic amounts are nil.

The assumptions for 2006, 2005 and 2004 are as follows (the rates indicated are weighted average rates):

	2006	2005	2004
General inflation	3.00%	2.72%	3.00%
Discount rate	5.57%	4.97%	5.27%
Post-retirement cost trend rate	9.20% to 5.00%	5.00%	5.00%

Back to Contents

Other post-retirement obligation and funded status:

(In millions of euros)	Other post-retirement benefits		
	2006	2005	2004
Change in benefit obligation			
Benefit obligation at beginning of year	**(20)**	**(17)**	**(17)**
Service cost	(1)	—	—
Interest cost	(21)	(1)	(1)
Plan participants' contributions	(10)	—	—
Amendments	—	—	—
Business combinations	(4,474)	—	—
Disposals	2	—	—
Curtailments	—	2	—
Settlements	—	—	—
Special termination benefits	—	—	—
Actuarial (loss)/gain	77	(5)	(3)
Benefits paid	83	3	4
Other (foreign currency translation)	(9)	(2)	—
Benefit obligation at end of year	**(4,373)**	**(20)**	**(17)**

(In millions of euros)	Other post-retirement benefits		
	2006	2005	2004
Change in plan assets			
Fair value of plan assets at beginning of year	—	—	—
Actual return on plan assets	4	—	—
Employers' contributions	37	3	4
Plan participants' contributions	10	—	—
Amendments	—	—	—
Business combinations	535	—	—
Disposals	—	—	—
Curtailments	—	—	—
Settlements	—	—	—
Special termination benefits/benefits paid	(103)	(3)	(4)
Section 420 transfer	382	—	—
Other (foreign currency translation)	1	—	—
Fair value of plan assets at end of year	**866**	—	—

(In millions of euros)	Other post-retirement benefits		
	2006	2005	2004
Funded status	(3,507)	(20)	(17)
Unrecognized actuarial loss/(gain)	—	45	37
Unrecognized transition obligation	—	—	—
Unrecognized prior service cost	—	(104)	(88)
Net amount recognized	**(3,507)**	**(79)**	**(68)**

Back to Contents

Components of net periodic pension cost:
(In millions of euros)

	Other post-retirement benefits 2006	2005	2004
Components of net periodic cost			
Service cost	(1)	–	–
Interest cost	(21)	(1)	(1)
Expected return on plan assets	3	–	–
Amortization of transition obligation	–	–	–
Amortization of prior service cost	6	6	6
Amortization of recognized actuarial gain/(loss)	(2)	(9)	(3)
Effect of curtailments	–	–	–
Effect of settlements	–	–	–
Special termination benefits	–	–	–
Net periodic benefit cost	**(15)**	**(4)**	**2**

Amounts recognized in the statement of financial position:
(In millions of euros)

	Other post-retirement benefits 2006	2005	2004
Accrued benefit liability	(3,507)	(79)	(68)
Prepaid benefit cost	–	–	–
Net amount accrued for under U.S. GAAP	**(3,507)**	**(79)**	**(68)**

Regarding the other benefit plans, a one-percentage point change in assumed health care cost trend rates would have the following effects:

	1 percentage point increase	1 percentage point decrease
Effect on total of service and interest cost components:	(1)	1
Effect on the post-retirement benefit obligation:	(163)	147

Plan assets information

Plan assets are invested as follows:

(In millions of euros and percentage)	Private and public bonds		Equity securities		Short-term investments		Property assets		Total	
2004										
Domestic	–	–	–	–	–	–	–	–	–	–
Foreign	–	–	–	–	–	–	–	–	–	–
TOTAL										
2005										
Domestic	–	–	–	–	–	–	–	–	–	–
Foreign	–	–	–	–	–	–	–	–	–	–
TOTAL										
2006										
Domestic	–	–	–	–	–	–	–	–	–	–
Foreign	503	58%	363	42%	–	–	–	–	866	100%
TOTAL	**503**	**58%**	**363**	**42%**	**–**	**–**	**–**	**–**	**866**	**100%**

Back to Contents

Moreover, for fiscal year 2007, we expect to contribute €105 million to post-retirement and postemployment funds.

Benefit payments

Expected benefit payments for other post-retirement obligation through 2016 are as follows:

Total *(in millions of euros)*	**Expected benefit payments**
2007	471
2008	444
2009	435
2010	419
2011	399
2012–2016	1,762

(5) Income taxes

(a)

Deferred tax balances:

(In millions of euros)	2006	2005	2004
Deferred tax assets	11,820	7,345	6,301
Less valuation allowance [(1)]	(10,145)	(5,577)	(4,636)
Net deferred tax assets	1,675	1,768	1,665
Deferred tax liabilities	(2,105)	(162)	(109)
NET DEFERRED TAXES	**(430)**	**1,606**	**1,556**

(1) Of which €5,217 million of valuation allowance at December 31, 2006 (€30 million at December 31, 2005 and €62 million at December 31, 2004) related to companies acquired that could be allocated to reduce goodwill if released in future periods.

Major temporary differences giving rise to deferred taxes at December 31 are as follows:

(In millions of euros)	2006	2005	2004
Tax effect of temporary differences related to:			
Accounting for long-term contract	(37)	(42)	(16)
Depreciation of property, plant and equipment and intangible assets	(958)	(45)	–
Prepaid pensions	(1,042)	(26)	(21)
Other	(68)	(49)	(72)
Deferred tax liabilities	**(2,105)**	**(162)**	**(109)**
Tax losses carried forward	10,405	5,836	4,858
Accrued pension and retirement obligation	817	463	137
Other reserves	583	351	217
Other	15	695	1,089
Deferred tax assets	**11,820**	**7,345**	**6,301**
Less: Valuation allowance	(10,145)	(5,577)	(4,636)
Deferred tax assets, net	**1,675**	**1,768**	**1,665**
TOTAL DEFERRED TAX ASSETS (LIABILITIES), NET	**(430)**	**1,606**	**1,556**

Back to Contents

Deferred tax balances are analyzed as follows:

At December 31, 2006 *(in millions of euros)*	Current	Non-current	Total
Deferred tax assets (net of valuation allowance)	376	1,299	1,675
Deferred tax liabilities	(207)	(1,898)	(2,105)
TOTAL	**169**	**(599)**	**(430)**

At December 31, 2005 *(in millions of euros)*	Current	Non-current	Total
Deferred tax assets (net of valuation allowance)	316	1,452	1,768
Deferred tax liabilities	(53)	(109)	(162)
TOTAL	**263**	**1,343**	**1,606**

At December 31, 2004 *(in millions of euros)*	Current	Non-current	Total
Deferred tax assets (net of valuation allowance)	235	1,430	1,665
Deferred tax liabilities	(33)	(76)	(109)
TOTAL	**202**	**1,354**	**1,556**

(b)

Analysis of income tax (expense) benefit

(In millions of euros)	2006	2005	2004
Current tax (expense) benefit	(94)	(52)	82
Net change in operating losses carried forward	127	(34)	110
Net change in valuation allowance	11	119	(10)
Other deferred tax (expense) benefit	(2)	(189)	(191)
Income tax (expense) benefit	**42**	**(156)**	**(9)**

(c)

Effective income tax rate

(In millions of euros)	2006	2005	2004
Income (loss) before taxes, share in net income of equity affiliates, purchased research and development, impairment of goodwill, minority interests and extraordinary items	(131)	985	678
Average income tax rate	44,4%	32.3%	28.4%
Expected tax (charge) benefit	58	(318)	(193)
Impact of:			
— net change in valuation allowance	11	119	(10)
— tax credits	16	5	14
— other	(44)	38	180
Actual income tax (charge) benefit	**42**	**(156)**	**(9)**
Effective tax rate	32.1%	15.8%	1.4%

(d)

Income (loss) before taxes, share in net income of equity affiliates, purchased research and development, impairment of goodwill, minority interests and extraordinary items by geographical origin:

(In millions of euros)	2006	2005	2004
France	(454)	251	84
Foreign	323	734	590
Income (loss) before tax	**(131)**	**985**	**674**

Back to Contents

(6) FIN 45 Disclosure

The recognition provisions of FASB Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others" ("FIN 45"), were adopted on January 1, 2003. FIN 45 requires recognition of an initial liability for the fair value of an obligation assumed by issuing a guarantee and is applied on a prospective basis to all guarantees issued or modified after December 31, 2002.

Through our normal course of business, we have entered into guarantees and indemnifications which mainly arose from the following situations:

- Business sale agreements;
- Intellectual property indemnification obligations;
- Lease agreements;
- Third–party debt agreements;
- Indemnification of lenders and agents under our credit and support facilities and security arrangements;
- Indemnification of counterparties in receivables securitization transactions;
- Other indemnification agreements.

Guarantees and indemnification agreements are mainly disclosed in Note 31 with:

- "*debt guarantees*" for third–party debt agreements, indemnification of lenders and agents under our credit and support facilities and security arrangements and indemnification of counterparties in receivables securitization transactions;
- and "*other contingent commitments*".

Regarding business sale agreements, the Group is unable to reasonably estimate the maximum amount that could be payable under these arrangements because the exposures are not capped and because of the conditional nature of the Group's obligations and the unique facts and circumstances involved in each agreement.

The Group records a liability for product warranties corresponding to the estimated amount of future repair and replacement costs for products still under warranty at the balance sheet date. The liability is included in the reserves for product sales disclosed in Note 27. The reserve is calculated based on historical experience concerning the costs and frequency of repairs or replacements.

Change of product warranty reserve during fiscal 2006, 2005 and 2004:

(In millions of euros)	2006
As of January 1, 2006	**337**
Additional reserves	203
Used	(140)
Changes in estimates of pre–existing warranties	(104)
Change in consolidated companies	133
Exchange differences and other	(4)
As of December 31, 2006	**425**

(In millions of euros)	2005
As of January 1, 2005	**380**
Additional reserves	144
Used	(128)
Changes in estimates of pre–existing warranties	(100)
Change in consolidated companies	4
Exchange differences and other	37
As of December 31, 2005	**337**

Back to Contents

(In millions of euros)	2004
As of January 1, 2004	**574**
Additional reserves	123
Used	(139)
Changes in estimates of pre-existing warranties	(141)
Change in consolidated companies	(49)
Exchange differences and other	12
As of December 31, 2004	**380**

Disclosures related to guarantees given are set forth in Note 31.

(7) Other information on affiliates

Market value of Alcatel-Lucent's stake in listed equity affiliates at December 31, 2006:

(In millions of euros)	% interest	Net value	Market value
Thales	9.5%	385	615

In addition, dividends received in 2006 from equity affiliates amounted to €14 million (€15 million for 2005 and €20 million for 2004).

(8) Combined information concerning subsidiaries consolidated using the proportionate consolidation method

This information is provided in Note 16d.

(9) Recently issued U.S. Accounting Standards

In February 2006, the Financial Accounting Standards Board ("FASB") issued FASB Statement No. 155, *Accounting for Certain Hybrid Financial Instruments, an amendment of FASB Statements No. 133 and 140* ("SFAS 155"). SFAS 155 amends FASB Statements No. 133, *Accounting for Derivative Instruments and Hedging Activities* ("SFAS 133"), and No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities* ("SFAS 140"). SFAS 155 – among other things – permits fair value remeasurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation. SFAS 155 is effective for all financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006. Alcatel-Lucent does not believe that the standard will have a material effect on its consolidated financial position, results of operations or cash flows as reconciled to U.S. GAAP.

In March 2006, the FASB issued FASB Statement No. 156 *Accounting for Servicing of Financial Assets – An Amendment of FASB Statement No. 140 ("SFAS 156")*. SFAS 156 amends SFAS 140 with respect to the accounting for separately recognized servicing assets and servicing liabilities. SFAS 156 is effective for fiscal years beginning after September 15, 2006. Alcatel-Lucent does not believe that the standard will have a material effect on its consolidated financial position, results of operations or cash flows as reconciled to U.S. GAAP.

In June 2006, the FASB issued FASB Interpretation No. 48 *Accounting for Uncertainty in Income Taxes* ("FIN 48"), an interpretation of Statement of Financial Accounting Standards No. 109 *Accounting for Income Taxes* ("SFAS 109"). FIN 48 clarifies the accounting for uncertainty in income taxes by prescribing a recognition threshold for tax positions taken or expected to be taken in a tax return. FIN 48 also provides guidance on derecognition, classification, interests and penalties, accounting in interim periods, disclosure and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006. Alcatel-Lucent is currently evaluating the impact FIN 48 will have on its financial position or results of operations.

In September 2006, the FASB issued FASB Statement No. 157 *Fair Value Measurements* ("SFAS 157"). This pronouncement defines fair value establishes a framework for measuring fair value and expands disclosures about fair value measurements. SFAS 157 clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the asset or liability and establishes a fair value hierarchy that prioritizes the information used to develop those assumptions. SFAS 157 is effective for fiscal years beginning after November 15, 2007. Alcatel-Lucent is currently evaluating the impact SFAS 157 will have on its financial position or resultS of operations.

In September 2006, the SEC staff issued Staff Accounting Bulletin (SAB) Topic 1N (SAB 108), *Financial Statements — Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements*, which is effective for calendar-year companies as of December 31, 2006. SAB 108 provides guidance on how prior year misstatements should be taken into consideration when quantifying misstatements in current year financial statements for purposes of determining whether the financial statements are materially misstated. Under this guidance, companies should take into account both the effect of a misstatement on the current year balance sheet as well as the impact upon the current year income statement in assessing the materiality of a current year misstatement. Once a current year misstatement has been quantified, the guidance in SAB Topic 1M, *Financial Statements — Materiality*, (SAB 99) should be applied to determine whether the misstatement is material. The application of SAB 108 did not have any impact on Alcatel-Lucent consolidated financial position, results of operations or cash flows as reconciled to U.S. GAAP.

Back to Contents

In September 2006, the FASB issued FASB Statement No. 158 *Employers' Accounting for Defined Benefit Pension and Other Post–retirement Plans — an amendment of FASB Statements No. 87, 88, 106, and 132(R)* ("SFAS 158"). SFAS 158 requires an employer to recognize the overfunded or underfunded status of a defined benefit post–retirement plan (other than a multiemployer plan) as an asset or liability in its statement of financial position and to recognize changes in that funded status in the year in which the changes occur through comprehensive income of a business entity. SFAS 158 also requires an employer to measure the funded status of a plan as of the date of its year–end statement of financial position, with limited exceptions, that requirement being effective for fiscal years ending after December 15, 2008. The pronouncement does not require prior periods to be restated to reflect the impact of SFAS 158. The company adopted SFAS 158 in the fiscal year ended December 31, 2006 (see notes 40(3) and 41(4) for the impact of the adoption).

In February 2007, the FASB issued FASB Statement No. 159 *The Fair Value Option for Financial Assets and Financial Liabilities* ("SFAS 159"), which permits an entity to measure certain financial assets and financial liabilities at fair value. Under SFAS 159, entities that elect the fair value option (by instrument) will report unrealized gains and losses in earnings at each subsequent reporting date. The fair value option election is irrevocable, unless a new election date occurs. SFAS 159 establishes presentation and disclosure requirements to help financial statement users understand the effect of the entity's election on its earnings, but does not eliminate disclosure requirements of other accounting standards. Assets and liabilities that are measured at fair value must be displayed on the face of the balance sheet. This Statement is effective for fiscal years beginning after November 15, 2007. Alcatel–Lucent is currently evaluating the impact SFAS 159 will have on its financial position or results of operations.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the AICPA and the SEC did not or are not believed by management to have a material impact on Alcatel–Lucent's present or future consolidated financial statements.

Note 42 – Subsequent events

On February 22, 2007, after a three–week trial in U.S. District Court in San Diego, California, a jury returned a verdict in favor of Lucentagainst Microsoft in the first of a number of scheduled patent trials . In this first trial involving two of Lucent's "Audio Patents", the jury found all the asserted claims of the patents valid and infringed, and awarded Lucent damages in an amount exceeding $1.5 billion. The court still must determine certain issues before entering the final judgment. The jury verdict is likely to be subject to various motions and appeals by Microsoft. There can be no assurance that the jury verdict will not be changed or reversed in whole or in part.

Lucent and Microsoft, Dell and Gateway are involved in a number of patent litigations in various jurisdictions. In the summer of 2003, the Gateway, Dell and Microsoft litigations in San Diego, California, were consolidated in federal court in the Southern District of California. The court scheduled a number of trials for groups of the Lucent patents, including in the trial described above. Additional trials in this case against Microsoft, Dell and Gateway are scheduled later in 2007.

On March 30, 2007, Lucent redeemed all its outstanding 8% convertible subordinated debentures due 2031, for an aggregate principal amount of €370 million.

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EX-10.1

EXHIBIT 10.1
20-F Filed on 04/06/2007 - Period: 12/31/2006
File Number 001-11130

Exhibit 10.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference of our reports dated April 6, 2007 relating to the consolidated financial statements of Alcatel–Lucent and subsidiaries and management's report on the effectiveness of internal control over financial reporting, appearing in the Annual Report on Form 20–F of Alcatel–Lucent for the year ended December 31, 2006 into:

(i) Form S–8 Registration Statement (File No. 333–7830) for Alcatel Alstom Compagnie Generale d'Electricite, S.A. (now Alcatel), filed with the U.S. Securities and Exchange Commission (the "SEC") on October 23, 1997;

(ii) Post–Effective Amendment No. 1 on Form S–8 to Form F–4 Registration Statement (File No. 333–59985) for Alcatel Alstom Generale d'Electricite, S.A. (now Alcatel), filed with the SEC on September 8, 1998;

(iii) Form S–8 Registration Statement (File No. 333–9730), filed with the SEC on December 11, 1998;

(iv) Form S–8 Registration Statement (File No. 333–10192), filed with the SEC on April 1, 1999;

(v) Form S–8 Registration Statement (File No. 333–10326), filed with the SEC on May 7, 1999;

(vi) Form S–8 Registration Statement (File No. 333–10578), filed with the SEC on July 13, 1999;

(vii) Form S–8 Registration Statement (File No. 333–11092), filed with the SEC on November 4, 1999;

(viii) Form S–8 Registration Statement (File No. 333–11388), filed with the SEC on January 24, 2000;

(ix) Post–Effective Amendment No. 1 on Form S–8 to Form F–4 Registration Statement (File No. 333–93127), filed with the SEC on January 24, 2000;

(x) Form F–3 Registration Statement (File No. 333–11784), filed with the SEC on April 4, 2000;

(xi) Form S–8 Registration Statement (File No. 333–11986), filed with the SEC on May 19, 2000;

(xii) Form S–8 Registration Statement (File No. 333–11996), filed with the SEC on May 23, 2000;

(xiii) Form S–8 Registration Statement (File No. 333–12516), filed with the SEC on September 12, 2000;

(xiv) Form S–8 Registration Statement (File No. 333–12864), filed with the SEC on November 15, 2000;

(xv) Form S–8 Registration Statement (File No. 333–13410), filed with the SEC on April 27, 2001;

(xvi) Form S–8 Registration Statement (File No. 333–13554), filed with the SEC on May 24, 2001;

(xvii) Form F–3 Registration Statement (File No. 333–13966), filed with the SEC on September 28, 2001;

(xviii) Form F–3 Registration Statement (File No. 333–14004), filed with the SEC on October 12, 2001;

(xix) Form S–8 Registration Statement (File No. 333–14016), filed with the SEC on October 17, 2001;

(xx) Post–Effective Amendment No. 1 on Form S–8 to Form F–4 Registration Statement, as amended (File No. 333–82930), initially filed with the SEC on February 15, 2002;

(xxi) Form S–8 Registration Statement (File No. 333–89466), filed with the SEC on May 31, 2002;

(xxii) Form S–8 Registration Statement (File No. 333–98075), filed with the SEC on August 14, 2002;

(xxiii) Form S–8 Registration Statement (File No. 333–105009), filed with the SEC on May 5, 2003;